

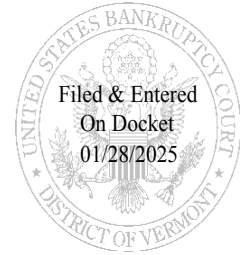
UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF VERMONT

In re:

Roman Catholic Diocese of Burlington,
Vermont,

Case No.: 24-10205-HZC
Chapter 11 Case

Debtor.



FINAL ORDER (I) GRANTING SUPPLEMENTAL EMERGENCY RELIEF; (II) AUTHORIZING CONTINUED USE OF EXISTING BUSINESS BOOKS, RECORDS, BANK ACCOUNTS, AND CHECK STOCK; (III) AUTHORIZING BANKS AND FINANCIAL INSTITUTIONS TO HONOR AND PROCESS CHECKS AND TRANSFERS; (IV) AUTHORIZING ELECTRONIC FUNDS TRANSFERS AND AUTOMATED CLEARING HOUSE TRANSFERS; (V) AUTHORIZING MAINTENANCE OF INVESTMENT ACCOUNTS; AND (VI) GRANTING LIMITED RELIEF FROM THE REQUIREMENTS OF 11 U.S.C. § 345(b)

This matter came before the Court on the Emergency and Supplemental Motion and Memorandum for an Interim and Final Order (I) Authorizing Continued Use of Existing Business Books, Records, Bank Accounts, and Check Stock; (II) Authorizing Banks and Financial Institutions to Honor and Process Checks and Transfers; and (III) Authorizing Electronic Funds Transfers and Automated Clearing House Transfers; (IV) Authorizing Maintenance of Investment Accounts; and (V) Granting Limited Relief from the Requirements of 11 U.S.C. § 345(b) (doc. # 55) (the “Supplemental Motion”) filed by the Roman Catholic Diocese of Burlington, Vermont (the “Diocese”), on behalf of Rice Memorial High School, the Catholic Center at the University of Vermont, the Mount St. Joseph Academy, the Christ the King School – Rutland, and the Good Shepherd Catholic School (collectively, the “Additional Entities”), the Affidavit of Bishop John J. McDermott (doc. #13), the statements of counsel and evidence adduced with respect to the Supplemental Motion at the emergency hearing on the interim relief sought in the Supplemental Motion, the statements of counsel and supplemental evidence filed with the Court in anticipation

of the Final Hearing before the Court on January 28, 2025 (the “Final Hearing”). The Court finds that: (i) it has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (ii) venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409; (iii) this is a core proceeding pursuant to 28 U.S.C. § 157(b); (iv) due and proper notice of the Supplemental Motion was provided; (v) notice of the Supplemental Motion and the Final Hearing was sufficient under the circumstances; and (vi) there is good cause to waive the 14-day stay imposed by Bankruptcy Rule 6004(h) to the extent it is applicable. After due consideration, the Court finds that the relief, on a final basis, as requested in the Supplemental Motion is in the best interests of the Diocese, its estate, and its creditors. Therefore, for good cause shown, **IT IS HEREBY ORDERED THAT:**

1. The Supplemental Motion is **GRANTED** on a final basis as set forth in this Final Order.

2. Pursuant to 11 U.S.C. §§ 105(a), 345(b), and 363(c), the Additional Entities are authorized, on a final basis, to:

a. continue using their existing books and records and cash management system;

b. designate, maintain, and continue to use, in the same manner with the same account numbers, the following bank accounts:

RICE MEMORIAL HIGH SCHOOL				
Bank	Account No.	Named Account Holder	Account Type	Purpose
TD Bank	*5474	Roman Catholic Diocese of Burlington, Vermont, Inc. d/b/a Rice Memorial High School	Checking	General operations
TD Bank	*1271	Roman Catholic Diocese of Burlington, Vermont, Inc. d/b/a Rice Memorial High School	Checking	Lunch account (state regulated, separate account)
TD Bank	*1247	Roman Catholic Diocese of Burlington, Vermont, Inc. d/b/a Rice Memorial High School	Checking	Student activities and clubs

RICE MEMORIAL HIGH SCHOOL				
Bank	Account No.	Named Account Holder	Account Type	Purpose
TD Bank	*1255	Roman Catholic Diocese of Burlington, Vermont, Inc. d/b/a Rice Memorial High School	Checking	Restricted scholarship funds
TD Bank	*4744	Roman Catholic Diocese of Burlington, Vermont, Inc. d/b/a Rice Memorial High School	Checking	Tuition account for international students to send wire payments

THE CATHOLIC CENTER AT THE UNIVERSITY OF VERMONT				
Bank	Account No.	Named Account Holder	Account Type	Purpose
TD Bank	*9245	The Catholic Center at UVM	Checking	General operations

MOUNT ST. JOSEPH ACADEMY				
Bank	Account No.	Named Account Holder	Account Type	Purpose
TD Bank	*8829	Mount St. Joseph Academy	Checking	General operations
TD Bank	*8077	Mount St. Joseph Academy	Checking	Alumni donations account
TD Bank	*8845	Mount St. Joseph Academy	Checking	Tuition account for international students to send wire payments
TD Bank	*8326	Mount St. Joseph Academy	Money Market Checking	Board designated funds
TD Bank	*8444	Mount St. Joseph Academy	Scholarship Money Market Savings	Evelyn Gammons Costello Scholarship Account – financial assistance
Berkshire Bank	*5897	Mount St. Joseph Academy	Money Market Checking	Scholarship funds for financial assistance
Berkshire Bank	*3830	Francis A. Pete Riordan Scholarship MSJ	CD – Scholarships	Restricted scholarship funds
Berkshire Bank	*4580	Mount St. Joseph Academy – The Davis Family Scholarship	CD – Scholarships	Restricted scholarship funds

CHRIST THE KING SCHOOL - RUTLAND				
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Bank	Account No.	Named Account Holder	Account Type	Purpose
TD Bank	*9831	Christ The King School	Checking	General operations
TD Bank	*9360	Christ The King School	Checking	Endowment fund – financial aid scholarships

GOOD SHEPHERD CATHOLIC SCHOOL				
Bank	Account No.	Named Account Holder	Account Type	Purpose
Passumpsic	*1077	Good Shepherd Catholic School	Checking	General operations
Passumpsic	*1072	Good Shepherd Catholic School	Checking	Donations to school and used as savings account
Passumpsic	*2471	Good Shepherd Catholic School	CD – Scholarships / Bequests	Restricted scholarship account
Union Bank	*3872	Good Shepherd Catholic School	Checking	Donations to school and used as savings account
Community National Bank	*5837	Good Shepherd Catholic School	CD – Scholarships / Bequests	Restricted to the school – Board designated for salary endowment
Live Oak Bank	*8160	Good Shepherd Catholic School	Savings	Restricted scholarship funds and board designated funds restricted for capital improvements

(collectively, the “Additional Bank Accounts”)

c. use their existing check stock with a “debtor in possession” notation added to each check;

d. continue to make disbursements by electronic funds transfer or automatic clearinghouse transactions.

3. TD Bank, Berkshire Bank, Passumpsic Savings Bank, Union Bank, Community National Bank, and Live Oak Bank (the “Banks”) are authorized to continue to service and administer the Additional Bank Accounts as accounts of the Additional Entities without interruption and in the usual and ordinary course. The Banks are authorized to service and

administer the Additional Bank Accounts in compliance with the requirements set forth in 11 U.S.C. § 345.

4. TD Bank and Passumpsic Savings Bank shall designate the Additional Bank Accounts, as applicable, as “debtor in possession” accounts and provide the Additional Entities with proof of the same. The Additional Entities shall in turn provide that proof to the Office of the United States Trustee (the “UST”).

5. For the Additional Bank Accounts held at Union Bank, Community National Bank, and Live Oak Bank, the Additional Entities, as applicable, shall maintain a balance of less than the FDIC-insured limit of \$250,000. The Additional Entities shall inform the UST if the balance of any of those accounts reaches or exceeds \$250,000.

6. TD Bank is specifically authorized to either issue a credit card to the Diocese with a \$10,000 limit, or allow the Diocese to continue to use the issued credit card with a \$10,000 limit. TD Bank is further authorized to continue allowing the Additional Entities to use credit cards as follows: (a) Rice Memorial High School with a limit of \$50,000; (b) The Catholic Center at the University of Vermont with a limit of \$5,000; (c) Mount St. Joseph Academy with a limit of \$5,000; and (d) Christ the King School – Rutland with a limit of \$5,000.

7. The Banks are authorized to receive, process, honor, and pay any and all checks and drafts drawn on the Additional Bank Accounts after September 30, 2024 (the “Petition Date”) by the holders or makers thereof; provided, however, that the Bank may not honor and pay any check drawn or used by the Additional Entities before the Petition Date, for which the Additional Entities have placed a stop payment in writing.

8. To the extent certain checks and transactions cleared after the Petition Date for prepetition expenses, and such checks or transactions were used by the Additional Entities for critical operating expenses, the Court authorizes the clearing of such checks or transactions.

9. The Banks are further authorized to debit the Additional Bank Accounts in the ordinary course of business without need for further order of this Court for: (a) all checks, items, and other payment orders drawn on the Additional Bank Accounts which are cashed at the Banks' counters or exchanged for cashier's checks by the payees thereof prior to the Banks' receipt of notice of filing of the petition; (b) all checks, automated clearing house entries, and other items deposited or credited to one of the Additional Bank Accounts with the Banks prior to filing of the petition which have been dishonored, reversed, or returned unpaid for any reason, together with any fees and costs in connection therewith, to the same extent the Additional Entities were responsible for such items prior to filing of the petition; (c) the payment of the credit cards issued as described in the Additional Bank Accounts in the ordinary course of business and consistent with current operations; and (d) all undisputed prepetition amounts outstanding as of the date hereof, if any, owed to the Banks as service charges for the maintenance of the cash management system and Additional Bank Accounts.

10. The Banks may rely on the representations of the Additional Entities with respect to whether any check, item, or other payment order drawn or issued by the Additional Entities prior to the Petition Date should be honored pursuant to any order of this Court, and the Banks will not have any liability to any party for relying on such representations by the Additional Entities.

11. The Additional Entities are authorized to maintain the following investment accounts:

Additional Entity	Bank or Financial Institution	Account No.	Account Name	Purpose
Rice Memorial High School	Charles Schwab	*9336	Roman Catholic Diocese of Burlington, Vermont, Inc.	Supporting Rice Memorial High School – Pizzagalli Scholarship Fund
Rice Memorial High School	TD Wealth	*3167	Roman Catholic Diocese of Burlington, Rice Memorial High School	Scholarship funds and Rice Teaching for Excellence and Student Life Funds
The Catholic Center at the University of Vermont	Raymond James	*7327	Catholic Center at the University of Vermont	To support expansion and ongoing ministry at University of Vermont (capital campaign)
Mount St. Joseph Academy	Berkshire Bank	*8014	Mount Saint Joseph Academy Endowment Fund	Scholarship funds for financial assistance
Christ the King School – Rutland	Ave Maria Mutual Funds	*0727	Christ The King School	Scholarship funds for financial assistance

(collectively, the “Additional Investment Accounts”).

12. Cause exists to waive the requirements of 11 U.S.C. § 345(b) as to the Additional Investment Accounts and, therefore, such requirements are waived. However, this Final Order does not make, and shall not be deemed to make, a determination regarding whether or to what extent the Additional Bank Accounts or the Additional Investment Accounts are property of the Diocese’s bankruptcy estate.

13. The Diocese and the Additional Entities are authorized to take all actions necessary to implement the provisions of this Final Order. The Additional Entities shall maintain accurate records of all transfers within the Additional Bank Accounts and Additional Investment Accounts

so that all post-petition transfers and transactions shall be adequately and promptly documented in, and readily ascertainable from, their books and records.

14. To the extent Bankruptcy Rule 6004(h) applies, this Final Order is deemed effective and immediately enforceable upon its entry.

15. The Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation and interpretation of this Final Order.

January 28, 2025
Burlington, Vermont



Heather Z. Cooper
United States Bankruptcy Judge

In re:
Roman Catholic Diocese of Burlington, Ve
Debtor

Case No. 24-10205-hzc
Chapter 11

CERTIFICATE OF NOTICE

District/off: 0210-2

User: admin

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Date Rcvd: Jan 28, 2025

Form ID: pdf710

Total Noticed: 5

The following symbols are used throughout this certificate:

Symbol	Definition
+	Addresses marked '+' were corrected by inserting the ZIP, adding the last four digits to complete the zip +4, or replacing an incorrect ZIP. USPS regulations require that automation-compatible mail display the correct ZIP.

Notice by first class mail was sent to the following persons/entities by the Bankruptcy Noticing Center on Jan 30, 2025:

Recip ID	Recipient Name and Address
db	+ Roman Catholic Diocese of Burlington, Vermont, 55 Joy Drive, South Burlington, VT 05403-6999
aty	Brittany M. Michael, Pachulski Stang Zeihl & Jones LLP, 780 Third Avenue, 34th Floor, New York, NY 10017-2024
aty	Gail S. Greenwood, Pachulski Sang Ziehl & Jones LLP, One Sansome Street, 34th Floor, San Francisco, CA 94104-4436
ccrm	+ Local Counsel to the Official Committee of Unsecur, c/o Paul A. Levine, Esq., Lemery Greisler LLC, 677 Broadway, 8th Floor Albany, NY 12207-2953

TOTAL: 4

Notice by electronic transmission was sent to the following persons/entities by the Bankruptcy Noticing Center.

Electronic transmission includes sending notices via email (Email/text and Email/PDF), and electronic data interchange (EDI). Electronic transmission is in Eastern Standard Time.

Recip ID	Notice Type: Email Address	Date/Time	Recipient Name and Address
cr	Email/Text: bankruptcy@td.com	Jan 28 2025 19:41:00	TD Bank, N.A., 70 Gray Road, Falmouth, ME 04105

TOTAL: 1

BYPASSED RECIPIENTS

The following addresses were not sent this bankruptcy notice due to an undeliverable address, *duplicate of an address listed above, *P duplicate of a preferred address, or ## out of date forwarding orders with USPS.

NONE

NOTICE CERTIFICATION

I, Gustava Winters, declare under the penalty of perjury that I have sent the attached document to the above listed entities in the manner shown, and prepared the Certificate of Notice and that it is true and correct to the best of my information and belief.

Meeting of Creditor Notices only (Official Form 309): Pursuant to Fed .R. Bank. P.2002(a)(1), a notice containing the complete Social Security Number (SSN) of the debtor(s) was furnished to all parties listed. This official court copy contains the redacted SSN as required by the bankruptcy rules and the Judiciary's privacy policies.

Date: Jan 30, 2025

Signature: /s/Gustava Winters

CM/ECF NOTICE OF ELECTRONIC FILING

The following persons/entities were sent notice through the court's CM/ECF electronic mail (Email) system on January 28, 2025 at the address(es) listed below:

Name	Email Address
Antonin Robbason	on behalf of Creditor TD Bank N.A. aizr@rsclaw.com, ccs@rsclaw.com;lcw@rsclaw.com;sem@rsclaw.com
Brittany Mitchell Michael	on behalf of Creditor Committee Committee of Unsecured Creditors bmichael@pszjlw.com

District/off: 0210-2

User: admin

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Date Rcvd: Jan 28, 2025

Form ID: pdf710

Total Noticed: 5

Celeste E. Laramie

on behalf of Creditor Survivor Creditors claramie@gravelshea.com

Elizabeth A. Glynn

on behalf of Creditor TD Bank N.A. eag@rsclaw.com, ccs@rsclaw.com

Jim Baillie

on behalf of Debtor Roman Catholic Diocese of Burlington Vermont jbaillie@fredlaw.com

Katherine Nixon

on behalf of Debtor Roman Catholic Diocese of Burlington Vermont knixon@fredlaw.com,
sstallings@fredlaw.com;docketing@fredlaw.com

Lisa M Penpraze

on behalf of U.S. Trustee U S Trustee lisa.penpraze@usdoj.gov

Paul A Levine

on behalf of Creditor Committee Committee of Unsecured Creditors plevine@lemerygreisler.com phartl@lemerygreisler.com

Paul A Levine

on behalf of Creditor Committee Local Counsel to the Official Committee of Unsecured Creditors plevine@lemerygreisler.com
phartl@lemerygreisler.com

Raymond J Obuchowski

on behalf of Debtor Roman Catholic Diocese of Burlington Vermont ray@oeblaw.com, marie@oeblaw.com

Samuel Andre

on behalf of Debtor Roman Catholic Diocese of Burlington Vermont sandre@fredlaw.com

Steven Robert Kinsella

on behalf of Debtor Roman Catholic Diocese of Burlington Vermont skinsella@fredlaw.com,
sstallings@fredlaw.com;docketing@fredlaw.com

U S Trustee

ustpre02.vt.ecf@usdoj.gov

TOTAL: 13